Toll Rate Setting

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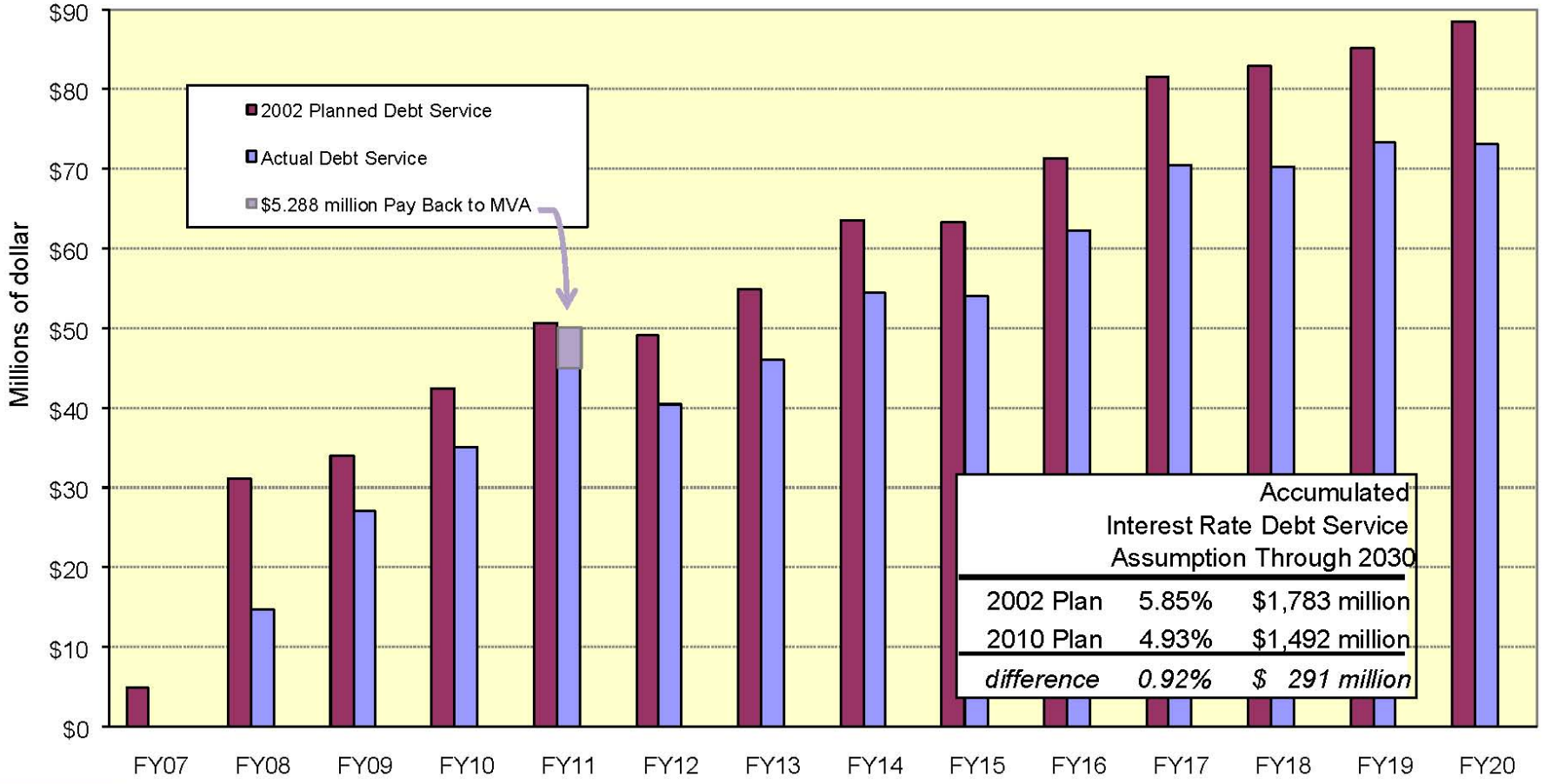
Washington State Transportation Commission
January 20, 2010

Washington State Department of Transportation

Debt Service – TNB

Planned vs. Actual Debt Service and Toll Rates



	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
2002 plan toll rate	$3/$3	$3/$3	$3/$3	$4/$4	$4/$4	$4/$4	$5/$5	$5/$5	$5/$5	$6/$6	$6/$6	$6/$6	$6/$6	$6/$6
Actual toll rate		$1.75/$3	$2.75/$4											

TNB Traffic and Revenue

Projected and Reported through December 2009

	Projected Traffic	Reported Traffic	Variance	Projected Toll Revenue	Reported Toll Revenue	Variance	Reported Transponder Revenue	Reported Violation Revenue	Other Reported Revenue	Total Reported Revenue
Jul-09	1,209,709	1,306,609	96,900	$ 3,782,879	$ 4,293,278	$ 510,399	$ 63,286	$ -	$ 25,266	$ 4,381,830
Aug-09	1,220,066	1,294,569	74,503	$ 3,837,805	$ 4,259,985	$ 422,180	$ 61,325	$ 54,736	$ 1,804	$ 4,377,849
Sep-09	1,168,866	1,215,868	47,002	$ 3,675,281	$ 3,938,650	$ 263,369	$ 56,735	$ 52,083	$ 1,520	$ 4,048,989
Oct-09	1,188,273	1,207,464	19,191	$ 3,717,476	$ 3,865,982	$ 148,506	$ 51,202	$ 64,966	$ 24,483	$ 4,006,633
Nov-09	1,138,265	1,106,449	(31,816)	$ 3,552,155	$ 3,553,188	$ 1,033	$ 41,623	$ -	$ 600	$ 3,595,411
Dec-09	1,199,741	1,178,283	(21,458)	$ 3,728,516	$ 3,500,015	$ (228,501)	$ 47,303	$ 114,502	$ 386	$ 3,662,205
Year to Date	**7,124,920**	**7,309,242**	**184,322**	**$ 22,294,112**	**$ 23,411,098**	**$ 1,116,986**	**$ 321,474**	**$ 286,286**	**$ 53,674**	**$ 24,072,917**
Jan-10	1,152,774			$ 3,581,778	$ -					$ -
Feb-10	1,154,294			$ 3,581,480	$ -					$ -
Mar-10	1,273,519			$ 3,953,995	$ -					$ -
Apr-10	1,215,770			$ 3,774,674	$ -					$ -
May-10	1,277,719			$ 3,992,763	$ -					$ -
Jun-10	1,292,548			$ 4,028,717	$ -					$ -
FY Total	**14,491,544**	**7,309,242**	**184,322**	**$ 45,207,519**	**$ 23,411,098**	**$ 1,116,986**	**$ 321,474**	**$ 286,286**	**$ 53,674**	**$ 24,072,917**

Actual Revenue includes toll revenue, violations fees and transponder sales.

Reported Revenue aligns with Fund 511 Financial Statements.

July 2009-August 2009 projections based on the forecast dated June 2009.

September 2009-October 2009 projections based on the forecast dated September 2009.

November 2009-June 2010 projections based on the forecast dated November 2009.

TNB Modeled Scenarios

CAC Recommendation

Scenario	Electronic Toll Collection	Cash
A	$2.75	$4.00
J - CAC	$2.75	$5.00
B	$3.00	$4.00
C - CAC	$3.00	$5.00
C	$3.25	$4.00
D - CAC	$3.25	$5.00
D - 1	$3.30	$5.00
D - 2	$3.35	$5.00
D - 3	$3.40	$5.00
D - 4	$3.45	$5.00
D	$3.50	$4.00
E- CAC	$3.50	$5.00
E	$3.75	$4.00
F	$3.75	$5.00
G	$4.00	$5.00
H	$4.25	$5.00
I	$4.50	$5.00
K	$3.00	$4.00 Thursday - Saturday $5.00 Sunday - Wednesday
L	$3.00	$4.00 Wednesday - Saturday $5.00 Sunday - Thursday

CAC Modified Scenarios

SubcommitteeTest Scenarios

WSTC Modified Scenarios

New Scenarios K, L, M & D 1-4

Additional Scenarios Requested

Scenario K

- $3.00 for electronic tolls
- $4.00 cash Thursday through Saturday
- $5.00 cash Sunday through Wednesday

Scenario L

- $3.00 for electronic tolls
- $4.00 cash Wednesday through Saturday
- $5.00 cash Sunday through Tuesday

Scenario D-1

- $3.30 for electronic tolls
- $5.00 cash

Scenario D-2

- $3.35 for electronic tolls
- $5.00 cash

Scenario D-3

- $3.40 for electronic tolls
- $5.00 cash

Scenario D-4

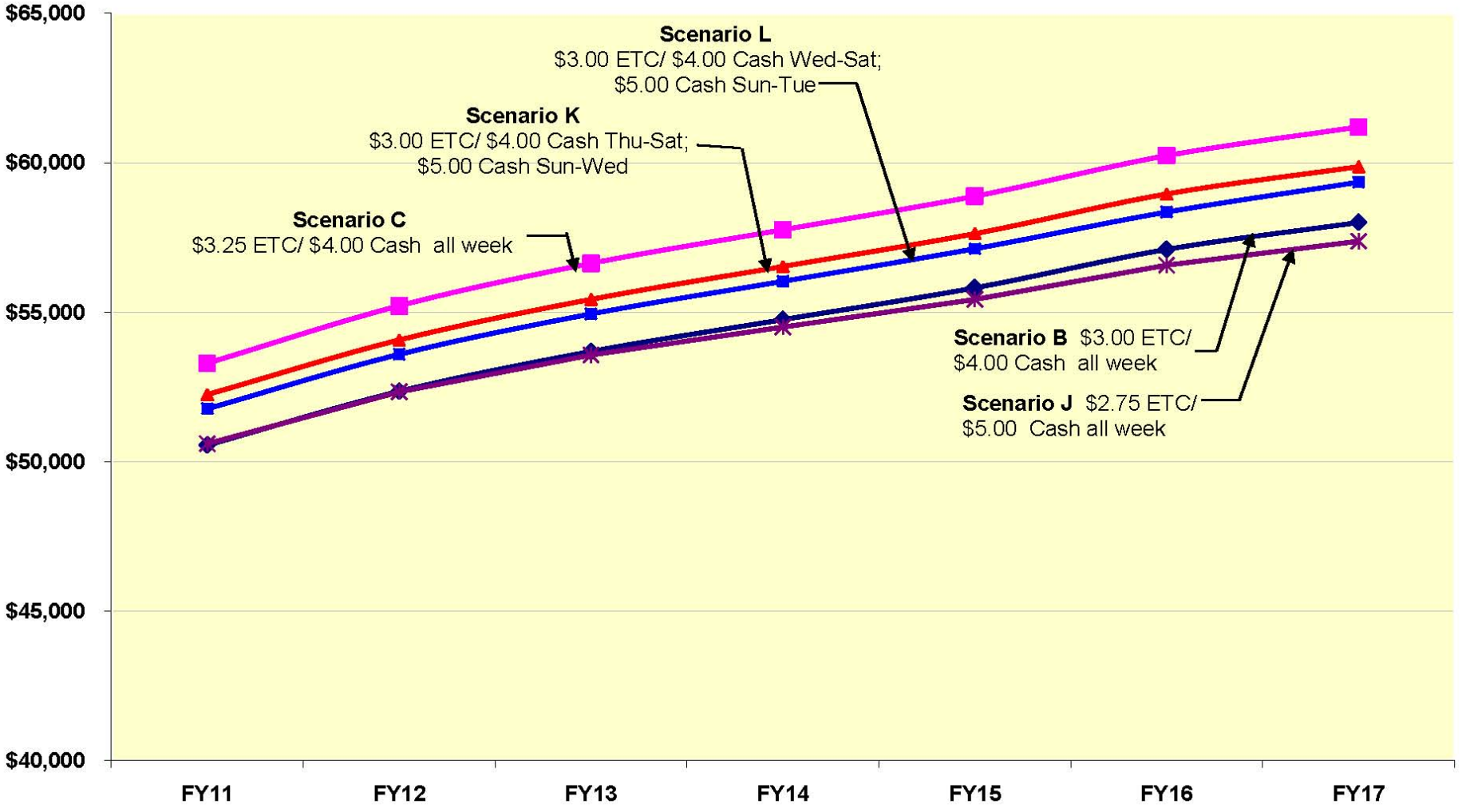
- $3.45 for electronic tolls
- $5.00 cash

Tacoma Narrows Bridge

Draft

Projected Toll Revenues

January 2010



Tacoma Narrows Bridge

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Subcommittee Test Scenarios

$ in thousands

		Fiscal Year					
		2010	2011	2012	2013	2014	2015
Debt Service Coverage Target		110.0%	105.0%	110.0%	110.0%	110.0%	110.0%
Coverage of All Expenditures Target		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
CAC Scenario D	Ending Balance	$ 16,143	$ 10,957	$ 18,532	$ 16,126	$ 6,702	$ (4,580)
ETC: $3.25	Debt Service Coverage	101.7%	101.4%	119.2%	108.4%	93.3%	95.4%
Cash: $5.00	Coverage of All Expenditures	101.3%	89.8%	118.6%	95.4%	84.3%	82.0%
Subcommittee Scenario D1	Ending Balance	$ 16,143	$ 11,397	$ 19,450	$ 16,829	$ 7,431	$ (3,367)
ETC: $3.30	Debt Service Coverage	101.7%	102.4%	120.4%	107.9%	93.3%	96.3%
Cash: $5.00	Coverage of All Expenditures	101.3%	90.7%	119.8%	95.0%	84.4%	82.8%
Subcommittee Scenario D2	Ending Balance	$ 16,143	$ 11,833	$ 20,358	$ 18,196	$ 9,267	$ (1,053)
ETC: $3.35	Debt Service Coverage	101.7%	103.4%	121.5%	108.9%	94.2%	97.2%
Cash: $5.00	Coverage of All Expenditures	101.3%	91.5%	121.0%	95.9%	85.2%	83.5%
Subcommittee Scenario D3	Ending Balance	$ 16,143	$ 12,260	$ 21,249	$ 19,539	$ 11,070	$ 1,219
ETC: $3.40	Debt Service Coverage	101.7%	104.3%	122.7%	109.9%	95.0%	98.1%
Cash: $5.00	Coverage of All Expenditures	101.3%	92.4%	122.1%	96.7%	85.9%	84.3%
Subcommittee Scenario D4	Ending Balance	$ 16,143	$ 12,686	$ 22,137	$ 20,877	$ 12,867	$ 3,484
ETC: $3.45	Debt Service Coverage	101.7%	105.3%	123.8%	110.9%	95.9%	99.0%
Cash: $5.00	Coverage of All Expenditures	101.3%	93.2%	123.3%	97.6%	86.7%	85.0%
CAC Scenario E	Ending Balance	$ 16,143	$ 13,108	$ 23,016	$ 23,105	$ 16,322	$ 7,876
ETC: $3.50	Debt Service Coverage	101.7%	106.2%	125.0%	113.8%	98.1%	100.7%
Cash: $5.00	Coverage of All Expenditures	101.3%	94.0%	124.4%	100.2%	88.7%	86.5%

Draft

Tacoma Narrows Bridge

Annual Coverage Under Two-Pronged Test

$ in thousands

		Fiscal Year					
		2010	2011	2012	2013	2014	2015
Debt Service Coverage Target		110.0%	110.0%	110.0%	110.0%	110.0%	110.0%
Coverage of All Expenditures Target		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Scenario A	Ending Balance	$ 16,143	$ 2,293	$ 567	$ (11,512)	$ (30,556)	$ (51,187)
ETC: $2.75	Debt Service Coverage	101.7%	82.2%	96.2%	87.3%	75.6%	78.1%
Cash: $4.00	Coverage of All Expenditures	101.3%	72.7%	95.8%	69.8%	68.3%	67.1%
Scenario B	Ending Balance	$ 16,143	$ 4,669	$ 5,526	$ (4,033)	$ (20,507)	$ (38,519)
ETC: $3.00	Debt Service Coverage	101.7%	87.5%	102.6%	92.8%	80.3%	82.9%
Cash: $4.00	Coverage of All Expenditures	101.3%	77.4%	102.1%	81.7%	72.6%	71.3%
Scenario C	Ending Balance	$ 16,143	$ 7,470	$ 11,364	$ 5,080	$ (8,384)	$ (23,326)
ETC: $3.25	Debt Service Coverage	101.7%	93.7%	110.1%	99.9%	85.9%	88.6%
Cash: $4.00	Coverage of All Expenditures	101.3%	82.9%	109.6%	88.0%	77.6%	76.2%
CAC Scenario C	Ending Balance	$ 16,143	$ 8,156	$ 12,694	$ 7,043	$ (5,840)	$ (20,191)
ETC: $3.00	Debt Service Coverage	101.7%	95.2%	111.7%	101.3%	86.9%	89.7%
Cash: $5.00	Coverage of All Expenditures	101.3%	84.3%	111.2%	89.2%	78.6%	77.1%
Scenario D	Ending Balance	$ 16,143	$ 10,195	$ 17,043	$ 13,914	$ 3,725	$ (8,232)
ETC: $3.50	Debt Service Coverage	101.7%	99.7%	117.4%	106.8%	91.9%	94.2%
Cash: $4.00	Coverage of All Expenditures	101.3%	88.3%	116.9%	94.0%	83.1%	80.9%
CAC Scenario D	Ending Balance	$ 16,143	$ 10,957	$ 18,532	$ 16,126	$ 6,702	$ (4,580)
ETC: $3.25	Debt Service Coverage	101.7%	101.4%	119.2%	108.4%	93.3%	95.4%
Cash: $5.00	Coverage of All Expenditures	101.3%	89.8%	118.6%	95.4%	84.3%	82.0%
Scenario E	Ending Balance	$ 16,143	$ 12,697	$ 22,255	$ 22,025	$ 14,903	$ 6,099
ETC: $3.75	Debt Service Coverage	101.7%	105.3%	124.1%	113.1%	97.5%	100.0%
Cash: $4.00	Coverage of All Expenditures	101.3%	93.2%	123.5%	99.6%	88.2%	86.0%
CAC Scenario E	Ending Balance	$ 16,143	$ 13,108	$ 23,016	$ 23,105	$ 16,322	$ 7,876
ETC: $3.50	Debt Service Coverage	101.7%	106.2%	125.0%	113.8%	98.1%	100.7%
Cash: $5.00	Coverage of All Expenditures	101.3%	94.0%	124.4%	100.2%	88.7%	86.5%
Scenario F	Ending Balance	$ 16,143	$ 15,850	$ 28,737	$ 32,013	$ 28,603	$ 23,723
ETC: $3.75	Debt Service Coverage	101.7%	112.3%	132.3%	120.7%	104.3%	107.3%
Cash: $5.00	Coverage of All Expenditures	101.3%	99.4%	131.7%	106.3%	94.3%	92.2%
Scenario G	Ending Balance	$ 16,143	$ 18,375	$ 33,998	$ 40,199	$ 39,884	$ 38,278
ETC: $4.00	Debt Service Coverage	101.7%	117.9%	139.1%	127.1%	110.0%	113.4%
Cash: $5.00	Coverage of All Expenditures	101.3%	104.4%	138.5%	111.9%	99.5%	97.4%
Scenario H	Ending Balance	$ 16,143	$ 20,846	$ 39,147	$ 48,210	$ 50,925	$ 52,522
ETC: $4.25	Debt Service Coverage	101.7%	123.4%	145.7%	133.3%	115.6%	119.4%
Cash: $5.00	Coverage of All Expenditures	101.3%	109.3%	145.0%	117.4%	104.5%	102.5%
Scenario I	Ending Balance	$ 16,143	$ 23,515	$ 44,708	$ 57,048	$ 63,042	$ 68,107
ETC: $4.50	Debt Service Coverage	101.7%	129.4%	152.9%	140.5%	121.6%	125.8%
Cash: $5.00	Coverage of All Expenditures	101.3%	114.5%	152.2%	123.6%	110.0%	108.1%
Scenario J	Ending Balance	$ 16,143	$ 4,718	$ 5,563	$ (4,083)	$ (20,808)	$ (39,207)
ETC: $2.75	Debt Service Coverage	101.7%	87.6%	102.5%	92.6%	79.9%	82.2%
Cash: $5.00	Coverage of All Expenditures	101.3%	77.5%	102.1%	81.5%	72.2%	70.7%

TNB Violation Processing

Presented by:

Craig Stone, WSDOT Toll Division Director

David Powell, WSDOT Toll Operations Manager

Violation Processing

Tacoma Narrows Bridge processing

- Picture of license plate taken as vehicle passes through toll equipment.
- License plate image processed.
- If no account is linked to license plate, vehicle registered owners name address are obtained from DOL.
- Violation notice issued to vehicle's registered owner and case is forwarded to court.
- Violator must pay citation or appeal it.
- If violator requests customer service assistance immediately after not paying the toll, they have the option to open an account. The toll will be deducted from account at that point.

Other toll agency processing

- Most have some method of paying before forwarding to court, usually a mailed notice.

TNB Violation Processing System Transition Options

1. **Allow drivers on TNB the same payment options as SR 520 bridge**
   - Customer friendly, cost effective
   - Not available until January 2011 when new statewide customer service center is operational.

2. **Interim procedural solution that allows drivers seven days to pay by establishing a *Good to Go!* account**
   - Minimal system modifications
   - Not an efficient process for the long term

3. **Alternate solution that allows drivers to pay the toll without establishing an account**
   - Requires modifying existing systems
   - Will take several months to deploy
   - Will be replaced by new statewide customer service center in January 2011

Violation Process Transition Recommendations

- **Take advantage of SR 520 deployment**
  - Offer same post-payment options on TNB, taking into consideration the potential impacts to cost and expenses for TNB customers.
- **If immediate change is desired**
  - Adopt policies and procedures for a 7-day grace period by formalizing and extending current operational practices.
- **Do not immediately modify the current TNB software systems, since they are due to be replaced in January 2011.**
- **WSDOT should continue its analysis of post-payment options for SR 520 and TNB, including cost estimates to determine the best practice for ongoing operations.**

Update on Toll Studies For Other Routes

Presented by:

Craig Stone, WSDOT Toll Division Director

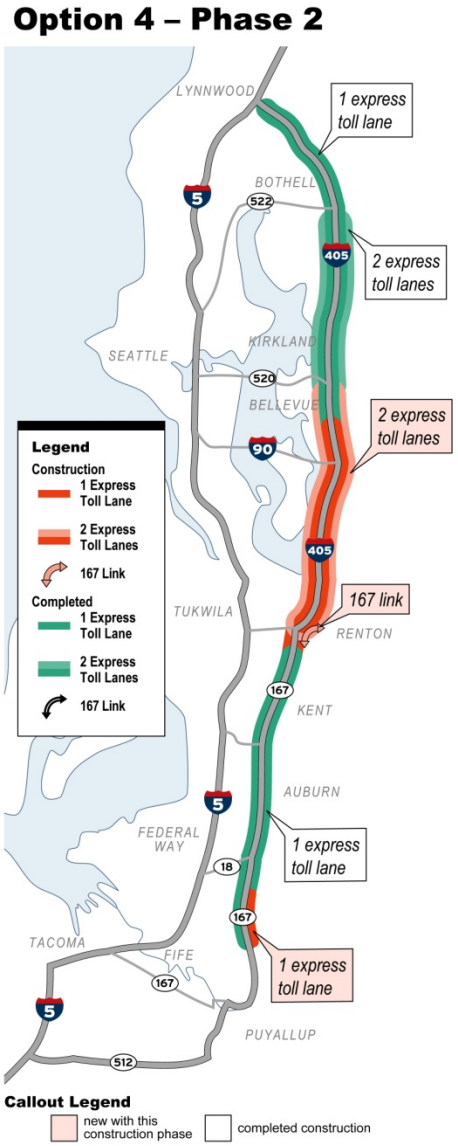
Jennifer Ziegler, WSDOT Toll Division Government and Communications Director

Replacement of the Alaskan Way Viaduct

- The 2010 cost estimate to replace the viaduct is still within $3.1 billion budget, which includes $2.8 billion in State funding and $300 million from the Port of Seattle.
- It is feasible to toll the proposed bored tunnel at a medium toll rate and generate up to $400 million to fill the gap in funding for the viaduct replacement.
- Five scenarios were studied. Toll rates varied from $1.00 to $5.00 in 2015 dollars. Rates varied by time of day and direction of travel.
- If a toll is charged to use the tunnel, traffic model analysis shows some traffic would divert to local streets and Interstate 5, but travel times for the tunnel would stay the same or increase slightly.

I-405 Express Toll Lanes

- Traffic and revenue analysis indicated improved freeway operations moved more people and vehicles at free flow speeds through the corridor with express toll lanes compared with general purpose lanes.
- Express toll lanes provide additional revenue which could then build additional improvements in the corridor.
- Implementation of the currently funded I-405, SR 520 to I-5, project will provide the needed early track record to assure the best bond terms for future phases and gain further acceptance for a more robust corridor, and regional, system(s) in the future.



Columbia River Crossing

Ten tolling scenarios were studied; including some that tolled both I-5 and I-205

Funding from tolls would supplement funds from state and federal sources

- For I-5 toll scenarios, the funding range was $0.94 to $2.09 billion
- For scenarios with a toll on both bridges, the funding range was $2.08 to $3.36 billion
- Tolling during construction would raise an additional $330 million for any scenario

Public input

- More than 13,000 viewed web pages and at least 10,000 engaged in-person
- More than 4,200 people participated in an online outreach survey

Questions?

For more information on TNB Toll Rate Setting, please contact

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Washington State Department of Transportation